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Editorial



Hotel Association of India takes pride in being part of the Prime Minister-led initiative, UDAAN, in partnership with the National Skill Development Corporation (NSDC), for bringing about a positive change in the employment and skills training of the youth in Jammu and Kashmir by providing them employment opportunities in the member hotels of the Association.

HAI is actively engaged, on behalf of its Members, in contesting the temporary ban on tourism activities in Tiger Reserves ordered by the Supreme Court of India, on the ground that regulated tourism in Tiger Reserves contributes to conservation and protection of wild cats, provides gainful employment opportunities for local population and helps in curbing unlawful activities like poaching etc.

The Luxury Tax on hotels in Delhi, imposed on the published tariff, is resulting in diversion of tourist traffic to the neighbouring suburbs of Gurgaon and Faridabad in Haryana, and NOIDA in Uttar Pradesh, where this Tax is imposed on the actual “realized tariff”. The impact of this dichotomy on tourist-inflow in Delhi has been clearly emphasized in HAI’s Memorandum presented to Mrs Sheila Dikshit, Hon’ble Chief Minister of the Government of NCT, Delhi, during her meeting with the Association members on May 17, 2012.

HAI’s Education Programme 2012 has been successfully completed in collaboration with the world-famous Ecole Hoteliere de Lausanne LHC of Switzerland. In this major initiative in the sphere of Hospitality Education, specialized modules were held on (i) “F&B Profit Maximization”; (ii) “Room Revenue Management” and (iii) “Hotel Opening: Soft & Grand”. The feedback received from participants is both positive and encouraging.

We sincerely hope that our members would find this e-Newsletter quite informative. Your feedback and suggestions may be emailed at: bbhushan@hotelassociationofindia.com

Bharat Bhushan

Editor

HAI e-Newsletter

&

Director - Communications

PM's 'UDAAN' Initiative: HAI Collaboration Sought

In the Prime Minister-led initiative, UDAAN, the Ministry of Home Affairs and the National Skill Development Corporation (NSDC) have been mandated to work with the corporate sector in bringing about a positive change in the employment and skills training of the youth in Jammu and Kashmir. This is sought to be achieved through CSR initiatives of Corporates, including the hotel sector.

NSDC would sign an MOU with HAI members who agree to provide employment opportunities to the Graduates/Post-Graduates of J&K through a well-structured skills training programme, and would reimburse half of the expenditure incurred by them on such training in accordance with the procedures prescribed in the MOU.

HAI has constituted a Voluntary Committee of the Heads of HR Departments of its Member Hotel Groups for coordinating and negotiating with the NSDC for taking this programme forward. The following Corporate Members of HAI have nominated their Senior HR Executives, whose names are listed below, to join the hotel industry's Core Group for negotiating with the NSDC:

Taj Group of Hotels

1. Mr H.M. Srinivasan
Senior Vice President - HR,
IHC, Mumbai
2. Mr Ramesh Takulia
Director-Learning & Development,
Taj Palace Hotel, New Delhi

ITC Ltd – Hotels Division

3. Mr Anil Sharma
Vice President - HR,
ITC Green Centre, Gurgaon

Apeejay Surrendra Park Hotels Ltd

4. Mr Salman Azam Quereshi
Associate Director – HR,
The Park, New Delhi

The Core Group would be further expanded as more Hotel Groups nominate their HR Representatives to join it and sign the MoU with NSDC.

Supreme Court Ban on Tourism in Tiger Reserves

In order to give "inviolable space" to tigers for their undisturbed breeding, the Supreme Court of India banned 'all forms of tourism in National Tiger Reserves' vide its Order dated July 24, 2012. The order was pronounced in the course of a hearing of a PIL demanding a halt in tourist activities in the Core Areas of Tiger Reserves.

It is however noteworthy that tourism-related activities in Tiger Reserves contribute to tiger conservation, as these pose a threat to the poachers! Therefore banning tiger tourism could prove counter-productive to the efforts to save tiger. Many conservationists are also of the considered view that tourism helps protect the tigers, as the public becomes 'eyes and ears' for a reserve, and also provides livelihood for local people as drivers, guides and naturalists. Even the Revised Guidelines issued by the Tiger Conservation Authority acknowledge that "Ecotourism in Tiger Reserves is ecologically sustainable nature tourism, which is emerging as an important component of tourism industry. It is distinct from 'Mass Tourism', having sustainable, equitable, community-based effort for improving the living standards of local, host communities living on the fringes of Tiger Reserves".

In view of the above, Hotel Association of India, on behalf of its member hotels, has filed an Impleadment Application in the Supreme Court so that it could forcefully present its case in the matter. It is relevant to point out that HAI's members hotels/resorts located near these reserves have been contributing not only in the relocation programmes undertaken by the Forest Department, but have also been regularly contributing in cash and kind towards conservation of wildlife in these Parks. They have also been promoting local art and cuisine, as stipulated in NTCA Guidelines.

When the matter was taken up for final arguments on August 29, 2012, the Attorney General appearing for the Union of India submitted before the Hon'ble Supreme Court that a comprehensive set of Guidelines are being framed by the National Tiger Conservation Authority and the Ministry of Environment & Forests with regard to fixation of core areas, buffer areas and tourism, including welfare and religious tourism. He further added that all aspects would be considered while formulating the Guidelines and views of expert bodies and all stakeholders would be incorporated.

While giving the Union Government four weeks' time for submitting comprehensive Guidelines, the Hon'ble Supreme Court nevertheless appeared inclined towards allowing "regulated tourism" in the Core Areas of Tiger Reserves. However, the Court made it clear that the ban on tourism imposed by it would remain in force till September 27, 2012, when the matter will be taken up for final disposal.

Luxury Tax : HAI Memorandum to Delhi CM

The Hotel Association of India (HAI) in a Memorandum submitted to Mrs Sheila Dikshit, Hon'ble Chief Minister of the Government of NCT, Delhi, has drawn her attention to the exodus of tourists from Delhi to the neighbouring suburbs of Gurgaon and Faridabad in Haryana and NOIDA in Uttar Pradesh, where Luxury Tax is imposed on the actual "realized tariff" of hotels – unlike Delhi where it is imposed on the published tariff. The HAI Memorandum underlines that such levies further compound the constraints the hospitality industry is already facing in the current economic environment.

HAI has pointed out that hotel rooms inventory in Delhi has gone up from 7784 rooms in 56 hotels in 1998 to 13,715 rooms in 288 hotels in 2010. This is indicative of the hotel industry's significant contribution in positioning Delhi as the "preferred destination" for both foreign and domestic tourists.

Emphasizing the urgent need of rationalizing the imposition of Luxury Tax on hotels in Delhi, the HAI Memorandum pointed out that of the 35 States and Union Territories of India, only a small minority of seven States/ Union Territories (including Delhi) charge this Tax on the published tariff; 16 States/Union Territories charge it on actual "realized" tariff, while 12 States do not levy any Luxury Tax on hotels!

However, to offset any loss in revenue if Delhi decided to impose Luxury Tax on actual "realized" tariff, HAI proposed that the threshold limit for levying this tax be reduced from the present Rs 1000 to Rs 500. This would bring a larger number of hotels in the tax net.

The Memorandum sought Mrs Dikshit's kind intervention in the matter to enable this sector realize its full potential in generating additional revenue for the NCT of Delhi State.

HAI Proposes Changes in Guidelines for Classification of Hotels

The Hotel Association of India has communicated to the Ministry of Tourism the changes proposed by its members in the Guidelines for Classification of Hotels, necessitated by the revised policy for grant of licences by the Government of Kerala.

In a Memorandum submitted to Mr Sanjay Kothari, Special Secretary, Ministry of Tourism, HAI has conveyed the proposed changes in the matter of granting Bar Licence to a hotel, and increasing the number of minimum lettable rooms from 10 to 15, instead of 25, for granting a 4-star category rating to a hotel. The Memorandum also underlines the need to Notify at the earliest the Guidelines for "Special" Category of Hotels which have already been finalized during a series of meetings held in the Ministry of all stakeholders.

Conservation of Monuments: HAI Initiative

The National Culture Fund recently made a presentation before HAI's Executive Committee to apprise its members of the various means and ways available for contributing towards the conservation of Indian heritage. Preservation of monuments emerged as the most visible and critical area at the presentation which needed immediate attention.

The Archaeological Survey of India, involved in the maintenance and conservation of 3667 protected monuments spread all over India, identified 100 monuments that need attention and support by way of public-private partnership. HAI member hotels assured all support to the ASI initiative in preserving these historical monuments.

HAI's Professional Development Programmes

HAI has successfully organized two Certification Programmes of Ecole Hoteliere de Lausanne – LHC on (i) **F&B Profit Maximisation** and (ii) **Rooms Revenue Management** at New Delhi in July-August 2012.

The third and last Module of HAI's – 2012 Education Series is on **"Hotel Opening : Soft & Grand"** at The Park Hotel, New Delhi, from September 11-13, 2012.

The 5-day Residential Retreat for Gen Next Leaders of Indian hospitality businesses, including the family-owned hotel businesses, is also under consideration for inclusion in HAI's Education Programme slated for launch in January, 2013.

Prof Chekitan Dev, Faculty of Cornell University, would conduct the above programme to make the emerging hospitality leaders *au fait* with the goals, objectives and strategies of over 100 hotel brands which are expected to compete for market share in India by 2020.

Adverse Advisories Issued by Foreign Countries: HAI Concern

The Hotel Association of India has expressed its deep concern over an "extremely adverse and unfounded" advisory issued in July this year by the Governments of the US, the UK, Australia and New Zealand to their citizens that "as India continues to experience terrorist and insurgent activities, these may affect them directly or indirectly". In a Representation to Mr R.H. Khwaja, Secretary, Ministry of Tourism, HAI has requested him that the External Affairs Ministry be advised to take "appropriate action through diplomatic channels" so that such advisories are not issued without verification from Indian Missions abroad, as India remains a peaceful, tranquil and preferred destination of tourists.

HAI Celebrates 'Green Week'

On the occasion of World Environment Day on June 5, 2012, HAI celebrated its **15th Annual Green Week** from June 5 to 10, 2012. HAI's member hotels celebrated the Week with great fervor to reaffirm their commitment to HAI's Green Vision, as tourism and hospitality sector the world over has symbiotic relationship with environment and is duty-bound to cut CO2 emissions.

Le Royal Meridien, Chennai, celebrated the World Environment Day in an innovative way. They had saplings planted by cricketer Ashwin and arranged an organic buffet spread. An open bazaar in the hotel's lobby for eco-friendly products was also organized.

The Oberoi Vanyavilas conducted a quiz contest on the occasion and offered Green Menu to its guests on the occasion. Similarly, the Oberoi hotels in Agra also organized special functions to mark the occasion.

The Rambagh Palace Hotel of the Taj Group in Jaipur celebrated the Green Week by organizing a Painting Competition on the "Need to protect our Environment" and conducting tree plantation drives. The Hotel also held a Quiz competition on the theme of "Environmental Sustainability".

Four Points by Sheraton, Navi Mumbai, organized a walkathon to spread the Green message. A Rangoli competition based on "Go Green" theme was also held where employees came up with some innovative ideas.

ITC Sonar, Kolkata, also held poster competition on the occasion and spread the message of Responsible Luxury.

The Park Navi Mumbai, Orchid, Mumbai, and Trident, Bandra-Kurla, also celebrated the Week by organizing some very interesting programmes on the occasion like the 'E-connect Day and Earth Hour'.

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